



**Health Services**  
LOS ANGELES COUNTY

Los Angeles County  
Board of Supervisors

Gloria Molina  
First District

Yvonne B. Burke  
Second District

Zev Yaroslavsky  
Third District

Don Knabe  
Fourth District

Michael D. Antonovich  
Fifth District

Bruce A. Chernof, MD  
Director and Chief Medical Officer

John R. Cochran III  
Chief Deputy Director

Robert G. Splawn, MD  
Senior Medical Director

313 N. Figueroa Street, Suite 912  
Los Angeles, CA 90012

Tel: (213) 240-8101  
Fax: (213) 481-0503

[www.ladhs.org](http://www.ladhs.org)

*To improve health  
through leadership,  
service and education.*



[www.ladhs.org](http://www.ladhs.org)

June 5, 2007

TO: Each Supervisor

FROM: Bruce A. Chernof, M.D.  
Director and Chief Medical Officer

SUBJECT: **ANNUAL REPORT OF FAST TRACK ADMISSIONS  
AND VISITS – CALENDAR YEAR 2006**

This is to provide the subject annual report pursuant to the Fast Track Admission Policy approved by your Board on December 7, 1999 and amended in August 2002, which allows the Department of Health Services (DHS) to negotiate patient-specific payment rates for inpatient and/or outpatient services and enter into single-instance, per admission or per visit agreements with private payers (e.g., government agencies, private Health Maintenance Organizations, indemnity insurance plans, etc.), to treat specific patients at County Health Facilities.

For Calendar Year 2006, payment terms were negotiated for 60 inpatients and 28 outpatients under the Fast Track Admission and Visit Policy, encompassing a total of 1,744 inpatient days and 30 outpatient visits. The services provided to these patients had a total estimated variable cost of \$3.0 million and are projected to generate \$4.0 million in reimbursement to the County (see attached).

Over the last six years the DHS Fast Track Admission and Visit Policy has enabled County hospitals to expedite admission and/or treatment of Private Payer patients seeking non-emergency medical services. The increased number of Medi-Cal Managed Care and Private Payer patient admissions has also generated incremental net revenue.

Because policy implementation is considered established, and payment negotiation routine, DHS intends to discontinue submission of further annual reports to the Board. However, DHS will continue to monitor Fast Track Admission and Visit activity on a monthly basis.

If you have any questions or require additional information, please let me know.

BAC:ns  
304:015  
(R/STEWART/FAST TRACK/FY06-07/FAST TRACK ANNUAL FT06)

Attachment

c: Chief Administrative Officer  
County Counsel  
Executive Officer, Board of Supervisors

COUNTY OF LOS ANGELES - DEPARTMENT OF HEALTH SERVICES  
REVENUE MANAGEMENT DIVISION  
FAST TRACK ADMISSIONS AND VISITS

CALENDAR YEAR 2006

Calendar Year	Type Of Stay	Number Of Patients <sup>(1)</sup>	Number Of Days/Visits	Hospital Charges	Estimated Variable Cost	Expected Reimbursement <sup>(2)</sup>	Payments Received To-Date	Transferred to Collections <sup>(7)</sup>	Amount Outstanding	Outstanding >90 Days
2006	Inpatient	60	1,744	12,255,757	2,990,111 <sup>(3)</sup>	3,896,267	2,318,684	2,250	1,575,333	155,429
	Outpatient	28	30	41,590	14,161	27,173	8,592	-	18,581	14,824
2005	Inpatient	31	1,418	\$ 8,669,700	\$ 1,115,874 <sup>(4)</sup>	\$ 2,503,889	\$ 2,310,341	6,780	186,768	\$ 186,768
	Outpatient	8	12	12,297	4,014	6,932	5,567	-	1,365	1,365
2004	Inpatient	35	1,399	8,127,352	1,235,045 <sup>(5)</sup>	2,145,537	2,026,874	72,182	46,481	46,481
	Outpatient	4	4	3,658	996	1,577	1,577	-	-	-
2000-2003	Inpatient	277	7,160	36,688,985	6,262,367 <sup>(6)</sup>	9,288,316	8,755,806	532,510	-	-
	Outpatient	19	19	20,661	6,560	10,978	10,573	405	-	-
Total	Inpatient	403	11,721	65,741,794	11,603,417	17,834,009	15,411,705	613,722	1,808,582	388,678
	Outpatient	59	65	78,206	25,731	46,660	26,309	405	19,946	16,189
Grand Total		462	11,786	65,820,000	11,629,148	17,880,669	15,438,014	\$ 614,127	\$ 1,828,528	\$ 404,867

Notes:

- (1) Non-compliance with Fast Track Agreements may result in a decrease in the number of patients reported. As a result, the number of patients may change if payments are not received pursuant to Fast Track terms and conditions.
- (2) The negotiated inpatient payment rates are not less than the higher of the County's inpatient Medi-Cal per diem contract rate currently in effect or the applicable hospital's estimated average variable costs for the applicable admission. Outpatient payment rates shall not be less than the applicable County hospital's estimated average variable costs for the applicable outpatient service.
- (3) Calendar year 2006's estimated average variable cost for service provided is based on FY 03-04.
- (4) Calendar year 2005's estimated average variable cost for service provided is based on FY 03-04.
- (5) Calendar year 2004's estimated average variable cost for service provided is based on FY 02-03.
- (6) Calendar year 2003, 2002, 2001, 2000's estimated average variable cost for service provided is based on FY 01-02, FY 00-01, FY 99-00 and FY 98-99 respectively.
- (7) Amounts identified as uncollectable and transferred to Treasurer Tax Collector (TTC) for further action.
- (8) Adjustment in accounts are due to Medicare or Medi-Cal payments, terms to FT Agreements not adhered to by HC Plan and/or patient days adjusted.